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Marlene Dortch
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Connect America Fund, WC Docket, No. 10-90, National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing a Unified Inter-carrier Compensation Regime, CC Docket No. 01-92*

To the Commission:

I, Dana J. Baker, hereby file this letter in the above-captioned dockets. I am the Chief Operating Officer of GVNW Consulting, Inc. in Colorado Springs, Colorado. In my position, I have over thirty-one years of telecommunications management experience in assisting small and rural local exchange carriers ("RLEC") in all areas of management and operations. I am also an active member of several national telecommunications associations that represent small and rural telephone companies. I am actively working with RLECs and these associations in developing policies and proposals to present to the FCC that will preserve the USF, provide for the ongoing viability of small RLECs and advance broadband communications in rural America. While this task has been challenging, given the differences and diversity of the RLECs, I am proud of how the telecommunications industry has come together (rural, mid-sized and large carriers) to develop a Consensus Framework agreement that is a foundation for sensible and measurable USF and inter-carrier compensation (ICC) reforms.

However, now, I am deeply concerned that the FCC Commissioners and Staff are considering a proposed Order that may seriously damage the ability of small and rural telephone carriers to deploy and maintain broadband networks in the rural areas they serve. If the FCC should adopt the Order that it is considering, it is my opinion that small telephone companies will be unable to obtain loans for near and long term funding for broadband network construction. Specifically, the Commission should not put caps on capital investments and operating expenses and then later adopt the rules on how the caps are to be applied. Putting such rules into effect before the caps can be reviewed, debated and refined will make it impossible for rural carriers to plan for the future or find

investors willing to make them a loan. The inability for RLECs to construct and maintain their broadband networks will have a serious detrimental impact not only on the RLECs but also upon rural consumers, schools, community health care facilities, and small businesses. Many rural communities are struggling to maintain an economic base that will allow the families, especially the children to receive a quality education and for older citizens to have access to health care services that are vital for the preservation of small towns, villages and communities across our nation.

Along the same line, the Commission must recognize that most rural communities cannot afford a \$30 local service benchmark. The RLECs have agreed to and support a \$25 benchmark that recognizes and represents a compromise among all the states and large to small size carriers. The Commission certainly is aware of the financial challenges families are facing in this period of lower income and high unemployment. I believe these challenges are even more prevalent in rural areas and the \$30 benchmark is a burden that will hit rural consumers and RLECs especially hard. I strongly urge the Commissioners to reconsider the \$25 local service benchmark.

Certainly, I have other areas of concern in the proposed Order. But at this point in the Commission's deliberations, I am asking that the Commissioners very carefully consider how the major changes in the proposed Order align with the Consensus Framework agreement to ensure that the adopted Order does not undermine rural broadband deployment, or jeopardize the long-term viability of small rural telephone companies and the consumers and communities they serve.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dana J. Baker". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke extending to the right.

Dana J. Baker
Chief Operating Officer
GVNW Consulting, Inc.